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February 21, 1997

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Federal Communications Commission Office of the Secretary 1919 M Street, N.W. Room 222 Washington, D.C 20554

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FEB 2 1 1997

Federal Communications Commission
Office of Secretary

Re: Notice of Oral Ex Parte Presentation; CC Docket No. 96-98

Dear Mr. Caton:

This is to notify the Office of the Secretary that Christine Gill and Thomas Navin, attorneys with the law firm of McDermott, Will & Emery, and representatives from Northern States Power, Florida Power and Light and Commonwealth Edison Company (collectively "the Electric Utilities") made an oral exparte presentation to Julius Genachowski, Counsel to Chairman Hundt ("the FCC staff").

The substance of the Electric Utilities' conversation with the FCC staff concerned the issues addressed in the Petition for Reconsideration and/or Clarification of the First Report and Order and Reply to Oppositions to Petitions for Reconsideration filed on behalf of American Electric Power Service Corporation, Commonwealth Edison Company, Duke Power Company, Entergy Services, Inc., Northern States Power Company, The Southern Company and Wisconsin Electric Power Company in the above-captioned proceeding. A copy of those filings, without the associated exhibits is being filed in duplicate with this notice.

In accordance with the Section 1.1206 of the Federal Communications Commission rules, a copy of this notice and its attachments have been hand-delivered to Mr. Genachowski.

Very truly yours,

Christine Bull/19/ Christine C. Gill

cc: Mr. Julius Genachowski

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BEFORE THE Federal Communications Commission WASHINGTON, D.C. 20554

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Federal Communications Commission
Office of Secretary

In the Matter of)

Implementation of the Local) CC Docket No. 96-98

Competition Provisions in the)

Telecommunications Act of 1996)

To: The Commission

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REPLY TO OPPOSITIONS TO PETITIONS FOR RECONSIDERATION

FILED ON BEHALF OF

AMERICAN ELECTRIC POWER SERVICE CORPORATION, COMMONWEALTH EDISON COMPANY, DUKE POWER COMPANY, ENTERGY SERVICES, INC., NORTHERN STATES POWER COMPANY AND THE SOUTHERN COMPANY

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Their Attorneys

Dated: November 12, 1996

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Executive Summary

The Infrastructure Owners, a group of electric utilities with infrastructure networks constructed and maintained for the purpose of providing electric service, reply to positions adopted by a number of parties in opposition to their Petition for Reconsideration and/or Clarification of the Commission's First Report and Order. The Commission's findings with respect to Sections 224(f) and 224(h) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996, are contrary to law in a number of respects. Nothing raised by opposing parties compels a different conclusion.

The Commission's decision on the expansion of capacity, the reservation of electric utility space, and the use of eminent domain powers granted under state law is in excess of its statutory authority. Parties interpreting Section 224(f) to the contrary ignore fundamental principles of statutory construction.

Similarly, parties opposing the Infrastructure Owners's contention that the Commission's decision is arbitrary and capricious fail to present cogent arguments for a different conclusion. Quite simply, the FCC violated the Administrative Procedure Act when it adopted a 45-day response requirement without noticing the issue or discussing the basis for the requirement in the <u>First Report and Order</u>. The rule permitting non-electric personnel to work in proximity to electric lines is unreasonable and lacks sufficient record support.

Several parties opposed the Infrastructure Owners's arguments that aspects of the Commission's decision embrace a construction of Section 224 that impermissibly violates

Congressional intent. Again, evidence compelling a different conclusion is lacking. The agency's findings including transmission facilities in the scope of Section 224, allowing for the placement of equipment other than coaxial or fiber cable on or in utilities' infrastructure and concluding that use of any single piece of infrastructure for wire communications triggers access to all other infrastructure contradict the express language of the statute and, therefore, Congressional intent.

In response to oppositions to their request for clarification of the 60-day written notice period under Section 224(h), the Infrastructure Owners submit that clarification is appropriate. It will clarify compliance with the requirement and thereby avoid time-consuming and costly litigation.

Finally, the Infrastructure Owners support the Commission's decision on the issue of state certification on access matters and the exclusion of roofs and risers from the scope of the Pole Attachments Act. The FCC properly found that States need not certify that they regulate access as a condition to preempting the FCC's jurisdiction. Similarly, the Commission properly adhered to the language of the statute in declining to broaden the statute to encompass infrastructure conspicuously omitted from its scope.

BEFORE THE Federal Communications Commission WASHINGTON, D.C. 20554

In the Matter of)				
	}				
Implementation of the Local)	CC	Docket	No.	96-98
Competition Provisions in the)				
Telecommunications Act of 1996)				

To: The Commission

REPLY TO OPPOSITIONS TO PETITIONS FOR RECONSIDERATION

American Electric Power Service Corporation, Commonwealth Edison Company, Duke Power Company, Entergy Services, Inc., Northern States Power Company and The Southern Company (collectively referred to as the "Infrastructure Owners"), through their undersigned counsel and pursuant to Section 1.429(g) of the rules and regulations of the Federal Communications Commission ("FCC" or "Commission") submit this Reply to Oppositions to Petitions for Reconsideration of the First Report and Order. 1/2 The Infrastructure Owners oppose positions adopted by various parties regarding Sections 224(f) and (h) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996. 2/2

First Report and Order, In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98 (released Aug. 8, 1996), 61 Fed. Reg. 45,476 (Aug. 29, 1996) ("First R&O").

Pub. L. No. 104-104, 110 Stat. 56 (1996), codified at 47 U.S.C. § § 151 et seg. ("the 1996 Act").

- I. Reconsideration Is Mandated Because the Commission Exceeded
 Its Statutory Authority
 - A. The FCC's Conclusion on the Expansion of Capacity

 Ignores the Express Language of the Statute
- 1. Various telecommunications and cable interests oppose the Infrastructure Owners's position on the expansion of capacity³ on a variety of grounds.⁴ Significantly, only two of the parties address the issue raised by the Infrastructure Owners.
- 2. In their Petition, the Infrastructure Owners argued that the Commission's requirement that utilities expand capacity to accommodate requests for access from cable operators or telecommunications carriers failed to give effect to the limitations set forth in Section 224(f)(2), thus ignoring a fundamental tenet of statutory construction: a statute should be construed so as to give effect to all of its language. Although the Commission did not set forth a specific interpretation of Section 224(f)(2) in the First R&O, AT&T argued

Infrastructure Owners's Petition For Reconsideration and/or Clarification ("Infrastructure Owners's Petition") at 8-10.

Reply of The Association For Local Telecommunications
Services to Petitions For Clarification and Reconsideration

("ALTS Reply") at 27-28; AT&T Opposition to and Comments on
Petitions For Reconsideration and Clarification of First Report
and Order ("AT&T Opposition") at 33; Continental Cablevision,
Inc. et al.'s Opposition to Petitions For Reconsideration
Regarding Access To Poles, Conduits and Rights-Of-Ways
(Continental Cablevision et al. Opposition") at 9; MCI
Communications Corp.'s Response to Petitions For Reconsideration
("MCI Response") at 34-35; The National Cable Television
Associations's Opposition to Petitions For Reconsideration ("NCTA
Opposition") at 26-27.

See Infrastructure Owners's Petition at 8-10; FP&L Petition at 6-9; see also United States v. Nordic Village, Inc., 503 U.S. 30, 36-37 (1992).

that the Commission reasonably interpreted the phrase "where there is insufficient capacity" to require expansion of facilities. 5/ Without resort to any tools of statutory construction, AT&T, like the Commission, reads the following language (bolded and underlined) into the statute:

Notwithstanding paragraph (1), a utility providing electric service may deny a cable television system or any telecommunications carrier access to its poles, ducts, conduits, or rights-of-way, on a non-discriminatory basis where there is insufficient capacity, and the utility cannot reasonably modify its facility to increase such capacity....

- 47 U.S.C. § 224(f)(2) (emphasized language added). Because this interpretation of Section 224(f)(2) clearly reads into the statute words that are not present, it violates the plain language of the 1996 Act and must be rejected.
- 3. In addition, NCTA argues that the absence of spare capacity on a physical facility does not necessarily mean the right-of-ways are full, and, therefore, a utility is in a position to expand its physical facility. Once again, the cable and telecommunications interests have entirely ignored the language of the statute. Section 224(f)(2) provides electric utilities with an explicit exemption from the requirements of Section 224(f)(1). Section 224(f)(2) allows an electric utility to deny access based on insufficient capacity to any of its "poles, ducts, conduits, or rights-of-way." Thus, NCTA's effort to measure the capacity of physical facilities by the

 $[\]underline{6}$ AT&T Opposition at 33.

^{2/} NCTA Opposition at 26-27.

⁴⁷ U.S.C. § 224(f)(2) (emphasis added).

potential capacity of the right-of-way -- rather than actual, present capacity of the physical facilities -- is simply contrary to the language of the 1996 Act. The Commission erred in concluding that utilities should be required to expand capacity for third party cable operators or telecommunications carriers.

That error must be corrected.

B. The FCC's Reserve Capacity Determination Is Inconsistent with the Record Evidence

- 4. Several telecommunications and cable interests oppose the Infrastructure Owners on the issue of reserve capacity, ⁹/ arguing that access to a utility's reserve space is reasonable. ¹⁰/ The arguments are unavailing because the FCC's decision goes beyond its statutory authority. Moreover, the oppositions, like the FCC's decision, fail to take into account the practical realities that render the decision wholly impractical and unworkable.
- 5. The Infrastructure Owners assert that the Commission lacks the statutory authority to require electric utilities to provide access to their reserve space. 11/2 Further, the Commission's rules failed to consider factors which illustrate the impracticability -- and thus the unreasonableness -- of such rules. None of the parties who opposed the Infrastructure Owners's Petition for Reconsideration addressed the electric

^{9/} Infrastructure Owners's Petition at 12-14.

^{10/} ALTS Reply at 27-28; AT&T Opposition at 34; Continental Cablevision et al. Opposition at 9; MCI's Response at 37; NCTA's Opposition at 27.

 $[\]frac{11}{2}$ Infrastructure Owners's Petition For Reconsideration and/or Clarification at 12-13.

utilities' concerns that these rules ignore the practical realities of an electrical utility's core business.

- 6. Reserving capacity pursuant to a "bona fide development plan" ignores the ongoing changes in the electric utility business brought on by deregulation. Equally important, the Commission failed to address the problems that a utility will face when it seeks to recapture its reserve space in the time necessary -- oftentimes an emergency situation -- to serve its core utility business. Because the Commission did not adequately consider the problems associated with allowing access to a utility's reserve space, the Commission's decision is impermissible, arbitrary and capricious and should be reversed.
 - C. The Commission Has No Authority to Require Utilities to Exercise Eminent Domain Powers
- 7. Several parties oppose the Infrastructure Owners's position¹²/ on the requirement that utilities exercise their eminent domain authority granted under state law to expand rights-of-way for the benefit of non-electric third parties.¹²/ These arguments ignore the fundamental flaw in the Commission's conclusion: the FCC has no statutory authority to require utilities to use any state-granted eminent domain powers, assuming such authority exists, on behalf of a non-electric third party.
- 8. Sections 224(f)(1) and (f)(2), when properly read as a whole, unequivocally permit an electric utility to deny a request

^{12/} See Infrastructure Owners's Petition at 14-21.

MCI Response at 38; AT&T Opposition at 35; Continental Cablevision et al. Opposition at 18-19.

for access to its rights-of-way where capacity is insufficient to accommodate the request. Historically, the exercise of rights of eminent domain has been beyond the scope of the FCC's jurisdiction. $\frac{14}{}$ The historical treatment was not changed by the 1996 Act. Congress must be presumed knowledgeable about existing law relevant to the legislation it enacts. 15/ Moreover, unlike Section 541(a)(2) of the 1984 Cable Act, to which Continental Cablevision et al. refer, the Pole Attachments Act of 1978, as amended by the 1996 Act, does not address the scope of rights-of-way or require that such rights-of-way be construed to accommodate compatible uses. Congress can be presumed to have been aware of Section 541(a)(2) of the 1984 Cable Act and yet did not adopt a similar provision in amending the Pole Attachments Act. The FCC cannot do indirectly what Congress expressly declined to do directly. Based on the plain language of the statute, the FCC's conclusion that the statute requires utilities to expand capacity through the exercise of their eminent domain authority violates the intent of Congress and should be reversed.

9. Moreover, the FCC's interpretation with respect to the eminent domain issue is unreasonable and, therefore, impermissible. The FCC's conclusion is based solely on a strained interpretation of Section 224(h). That provision requires notice of intended modifications or alterations to

 $[\]frac{14}{5}$ S. Rep. No. 580, 95th Cong., 1st Sess. 16.

Goodyear Atomic Corp. v. Miller, 486 U.S. 174 (1988); Washington Legal Found. v. United States Sentencing Comm'n, 17 F.3d 1446 (D.C. Cir. 1994).

facilities, not notice of intended expansions of capacity. Any expansion under Section 224(h) stems from the utility's own electric needs, not from any mandatory obligation to make modifications or alterations at the request of a telecommunications carrier or cable television system.

The exercise of eminent domain power is a drastic measure which electric utilities use only with abundant caution. Although AT&T asserts that the utilities' concerns may be premature and can be handled on a case-by-case basis, the electric utilities nonetheless object to a requirement that is contrary to law and beyond the scope of the FCC's authority. While the FCC states that it has promulgated this and other requirements in an effort to facilitate arms-length negotiations, rather than having to rely on multiple adjudications in response to complaints, 16/ the Infrastructure Owners submit that if allowed to stand, this requirement will have the opposite effect, The FCC should as AT&T's Opposition also seems to suggest. correct its previous conclusion and rescind any requirement that utilities exercise their state-granted powers of eminent domain on behalf of any non-electric third party.

II. Reconsideration Is Mandated Because the Commission's Decision Is Arbitrary and Capricious

- A. The FCC Did Not Follow APA Procedures in Promulgating the Forty-Five Day Access Rule
- 11. Contrary to the Infrastructure Owners's contention, 17/
 AT&T and NCTA assert that the FCC followed the Administrative

^{16/} First R&O, ¶ 1159.

^{17/} Infrastructure Owners's Petition at 21-26.

Procedure Act ("APA") in promulgating the 45-day access rule. 18/
Continental Cablevision et al. simply asserts that the utilities'
request for more than 45 days to respond to access requests is
inconsistent with modern industry practice and, therefore, is
unreasonable. 19/
Continental Cablevision's argument is
unpersuasive; clearly, a large number of utilities disagree with
its notion of the "modern industry practice." AT&T's and NCTA's
arguments are equally without merit.

"rational connection between the facts found and the choice made" and "must cogently explain why it has exercised its discretion in a given manner." The Commission failed to articulate any basis -- reasoned or otherwise -- for the 45 day requirement. Nowhere in the Commission's First R&O does the Commission explain how it devised the 45-day access rule, contrary to the assertions of AT&T and NCTA. In its sole reference to the requirement, the Commission merely states that

AT&T Opposition at 40; NCTA Opposition at 30.

^{-19/} Continental Cablevision et al. Opposition at 13.

City of Brookings Mun. Tel. Co. v. Federal Communications
Comm'n, 822 F.2d 1153, 1165 (D.C. Cir. 1987) (quoting Burlington
Truck Lines, Inc. v. United States, 371 U.S. 156, 168 (1962)).

Motor Vehicle Ass'n v. State Farm Mut. Automobile Ins. Co., 463 U.S. 29, 48-49 (1983) (citing Atchison, T. & S.F.R. Co. v. Wichita Bd. of Trade, 412 U.S. 397, 416 (1967)).

 $^{^{22/}}$ AT&T contends that the FCC discussed the 45 day access requirement in ¶s 1224-1225 of the <u>First R&O</u>. NCTA cites to ¶ 1225 as containing the FCC's discussion of the 45 day access rule.

"[i]f access is not granted within 45 days of the request, the utility must confirm the denial in writing by the 45th day."23/
Clearly, this passing reference does not provide an explanation of the Commission's decision to impose a 45 day access requirement, as opposed to a 60, 90, or 120 day requirement. The APA requires the agency to supply a reasoned basis for why it adopts a certain rule.24/ The FCC failed to do so. Hence, the requirement must be rescinded.25/

- B. The Rule Permitting Non-Electric Personnel to Work in Proximity to Electric Lines Is Unreasonable
- position²⁶ that the rule allowing non-electric utility personnel to work in proximity to electric lines is not supported by a reasoned basis in the record. They generally argue that the Commission has adequately protected electric utilities in allowing access to their facilities because the Commission specified that any worker seeking access must have sufficient qualifications and training.²⁷

^{23/} First R&O, ¶ 1224.

Schurz Communications, Inc. v. FCC, 982 F.2d 1043, 1049 (7th Cir. 1994).

The Infrastructure Owners also assert that the Commission's 45-day access requirement is not a "logical outgrowth" out of its original NPRM. See Small Refiner Lead Phase-Down Task Force v. EPA, 705 F.2d 506, 549 (D.C. Cir. 1983). While an agency's notice need not identify every precise proposal that the agency may finally adopt, here the FCC impermissibly adopted the 45-day access rule without having discussed this contemplated rule anywhere.

^{26/} Infrastructure Owners's Petition at 29-31.

^{27/} AT&T Opposition at 39; MCI Opposition at 37; NCTA Opposition at 33.

None of these parties addressed the Infrastructure Owners' argument that the Commission failed to consider the dangers associated with working in close proximity to electric lines versus working in close proximity to telecommunications In addition, none of these parties addressed the facilities. Commission's failure to consider how its uniform rule would apply to the different types of electric utility infrastructure. For example, it is much more dangerous to work in close proximity to electric lines in a conduit system than on a pole because in a conduit system workers are forced to work in extremely close physical proximity to high voltage electrical wire, usually less than two feet away from an energized conductor. In contrast, because the communications space is below the electric space on a pole, telecommunications personnel usually do not come closer than ten feet away from an energized conductor when working on a pole. Because it has not sufficiently considered the application of its rule, the Commission must reverse or modify this rule.

III. The FCC's Interpretation Is Impermissible Because it Violates Congressional Intent

- A. Wireless Facilities Are Not Covered by the Pole Attachments Act
- 15. Many parties contend that Section 224(f)(1) mandates access to utility infrastructure to permit siting of wireless facilities. 28/ The Infrastructure Owners disagree.

^{28/} See, e.g., Comments of AirTouch Communications on Petitions for Reconsideration ("AirTouch Comments") at 24; AT&T Opposition at 36; Opposition to Petitions for Reconsideration of the Cellular Telecommunications Industry Association ("CTIA Opposition") at 12; Comments on and Opposition to Petitions for Reconsideration and Clarification of Comcast Cellular Communications, Inc. and Vanguard Cellular Systems, Inc. (continued...)

- 16. Section 224(f)(1) cannot be read standing alone.

 Section 224(a)(1) defines a "utility," for purposes of the nondiscriminatory access provisions of Section 224(f)(1), as "any person who is a local exchange carrier or. . . public utility, and who owns or controls poles, ducts, conduits, or rights-of-way used, in whole or in part, for any wire communications."

 (emphasis added). Congress maintained the "wire communications" language without change from the original version of the Pole Attachments Act.
- 17. CTIA contends that Section 224(a)(1) serves only to define the entities subject to the nondiscriminatory access requirements under Section 224(f)(1), and is "irrelevant to the issue of whether items other than wire or cables may be attached to the poles of utilities." CTIA does not address the issue of why Congress sought to extend the nondiscriminatory access requirements only to entities engaged in wire communications.

 Other parties have failed to address Section 224(a)(1) at all.
- 18. It is illogical for Congress to have so specifically delimited the scope of entities subject to the pole attachment provisions, as it did in Section 224(a)(1), unless "wire communications" were the object of those provisions. Had Congress intended that Section 224, as amended, would mandate

^{28/(...}continued)

^{(&}quot;Comcast Opposition:) at 9; Continental Cablevision <u>et al</u>. Opposition at 12; Opposition and Response of Cox Communications, Inc. to Petitions for Reconsideration ("Cox Opposition") at 9; MCI Response at 40; Comments in Response to Petitions for Reconsideration of Paging Network, Inc. ("Paging Network Comments") at 23; WinStar Communications, Inc. Opposition to Petitions for Reconsideration ("WinStar Opposition") at 12.

^{29/} CTIA Opposition at 13.

wireless access, it surely would have expanded "utilities" to encompass public utilities using their poles, ducts, conduits or rights-of-way for wireless communications. Instead, Section 224 establishes a logical symmetry, requiring that utilities whose facilities are used for wire communications provide nondiscriminatory access to telecommunications carriers seeking to attach for that purpose.

- B. Section 224(f) Does Not Apply to Transmission Facilities
- 19. AT&T and Continental Cablevision <u>et al</u>. oppose the Infrastructure Owners's request that the FCC reconsider its decision with respect to transmission facilities. Their arguments are unconvincing.
- 20. AT&T asserts that Section 224 mandates access to "any" pole, duct, conduit or right-of-way owned or controlled by the utility. That is precisely the point. A "transmission tower" is not a "pole, duct, conduit or right-of-way." Based on its plain language, Congress did not name, and thus did not intend to include, transmission facilities in the scope of the infrastructure covered by Section 224(f).
- 21. Continental Cablevision makes a half-hearted argument in opposition to the exclusion of transmission facilities from the Pole Attachments Act, asserting that access to transmission facilities has never been categorically forbidden under the Pole Attachments Act. 32/ The Infrastructure Owners disagree. For

^{30/} Infrastructure Owners's Petition at 37-40.

 $[\]frac{31}{2}$ AT&T Opposition at 39.

^{22/} Continental Cablevision et al. Opposition at 10.

approximately the past 18 years, the FCC has interpreted the Pole Attachments Act as applying to distribution facilities only. 33/
This interpretation is consistent with the plain language of the statute and the prevailing understanding within the electric utility, cable and telecommunications industries that the term "poles" means distribution poles only. Congress did not change the language of the statute with its 1996 Act amendments. Accordingly, the Commission should correct its finding on the issue and specifically interpret the Pole Attachments Act to exclude transmission facilities.

- C. The Use of Any Single Piece of Infrastructure for Wire Communications Does Not Trigger Access to All Other Infrastructure
- 22. The Infrastructure Owners dispute the FCC's position, supported in Oppositions in this proceeding, 34/ that a grant of access to part of a utility's infrastructure extends of the requirement of access to the entire infrastructure. The FCC does not obtain jurisdiction over utility infrastructure except to the extent that it is designated or used, whether it be in whole or in part, for communications purposes. The FCC's and the parties' position is at odds with Congressional intent.
- 23. Equally flawed is the FCC's position, supported by certain of the parties, that a utility's use of its

See, e.g., In the Matter of Capital Cities Cable, Inc. v. Mountain States Tel. and Tel. Co., 56 Rad. Reg. 2d (P&F) 393, 399 n.10 (1984); In the Matter of Logan Cablevision, Inc. v. Chesapeake and Potomac Tel. Co. of West Virginia, 1984 FCC Lexis 2400 (1984).

See AirTouch Comments at 23; AT&T Opposition at 36-37.

^{35/} Infrastructure Owners's Petition at 40-45.

infrastructure for internal communications purposes subjects it generally to the nondiscriminatory access provisions of the 1996 Act. 35/ This position goes well beyond Congressional intent in enacting the 1996 Act. A utility that is not itself engaged in wire communications, other than for internal communications, is not subject to the access requirements. This is so despite the likelihood that such access would be useful to cable or telecommunications carriers in competing in their respective markets. The FCC's position to the contrary is not supported by the 1996 Act and should be rescinded.

IV. Clarification of the Sixty-Day Advance Notice Requirement Will Avoid Litigation of the Issue

24. Several parties oppose the Infrastructure Owners's request for clarification of the Commission's 60-day notice requirement. 32/ AT&T asserts that the FCC's 60-day notice requirement properly balances the interests of incumbent utilities and competitive LECs. 38/ NCTA asserts that there is no justification for providing less than 60 days' notice of alterations or modification. 39/ Continental Cablevision et al. assert that the 60-day notice period is a common period for joint coordination of projects requiring facilities modification and represents a reasonable compromise. 40/

See, e.g., AirTouch Comments at 23.

^{37/} Infrastructure Owners' Petition at 45-48.

^{38/} AT&T Opposition at 40.

 $[\]frac{39}{}$ NCTA Opposition at 31.

^{40/} Continental Cablevision et al. Opposition at 14-15.

25. The Infrastructure Owners do not necessarily disagree. They simply request that the rule be clarified to provide that reasonable efforts to provide 60 days advance notice of non-routine, non-emergency modifications constitute compliance. The Infrastructure Owners's position is an attempt to provide some flexibility to meet a myriad of diverse circumstances, thereby avoiding needless, costly litigation. This position is consistent with the FCC's approach in other areas. 41/

V. Reconsideration Is Not Warranted Because the FCC's Decision Is Correct

- A. The Commission Properly Found that States Need Not Certify that They Regulate Matters of Access
- 26. NCTA and the California Cable Television Association ("CCTA") urge the FCC to require States to certify that they regulate matters of access. They further assert that the states must regulate access in a manner consistent with the Pole Attachments Act and the FCC's First R&O. 42/ These arguments are wholly without textual basis in the 1996 Act and, as a matter of law, are incorrect: Section 224 does not provide for, nor does the Commission have authority to require, State certification of access matters. Similarly, the FCC has no authority to establish a federal policy on access which the states must follow.
- 27. Congress has spoken to this precise issue. States need not certify on access matters; to the contrary, such a requirement is conspicuously absent from Section 224, in contrast to the express requirement that States certify that they regulate

^{41/} See, e.g., First R&O, ¶ 1159.

NCTA Opposition at 31-32; CCTA Opposition to Petitions for Reconsideration and Clarification ("CCTA Opposition") at 5-6.

the rates, terms and conditions of pole attachments. 43/ The Commission properly followed the plain language of the statute, finding that the amendments to the reverse preemption scheme enacted as part of the 1996 Act do not require the States to certify as to matters of access. The Commission's proper determination should not be disturbed.

- 28. NCTA and CCTA also assert that the States must regulate access in a manner consistent with the federal law. 44/ However, the FCC has no jurisdiction "in any case where such matters are regulated by a State." Thus, once a State has preempted the FCC's jurisdiction, the FCC has no further statutory authority to review the State's access rules or regulations to ensure conformity with the federal rules and regulations. The FCC properly found that it has no authority to establish a nationwide policy on access decisions, or to require States that have preempted its jurisdiction on access matters to conform their rules and regulations to the federal law. 45/ NCTA's and CCTA's Oppositions are meritless.
 - B. Neither the FCC Nor A Party Can Expand the Scope of the Pole Attachments Act to Encompass a Right of Access to Roofs and Risers
- 29. WinStar reasserts in its Opposition, as it did in its Reconsideration Petition, that "access to roofs and related riser is, by definition, access to the critical right of way for local

⁴⁷ U.S.C. § 224(c)(2).

NCTA Opposition at 32; CCTA Opposition at 6.

^{45 47} U.S.C. § 224(c)(1).

^{46/} First R&O, ¶ 1238.

exchange carriers such as WinStar..." Specifically, WinStar contends that the 1996 Act provides it with a right of access to "utility roofs." WinStar explains that "it is not seeking access to every piece of equipment or real property owned or controlled by the utility," but instead "is seeking access to legitimate rights of way that will be effective in enabling wireless local exchange carriers to expand their local exchange distribution networks."

30. The apparent basis for WinStar's contention that "utility roofs" are rights-of-way under the 1996 Act is that (1) LECs and utilities maintain microwave and wireline networks used for telecommunications purposes, (2) such LECs and utilities are free to site microwave facilities upon their roofs, whether they choose to do so or not, 50/ and (3) denying WinStar access to utility roofs would unreasonably restrict its ability to compete with LECs and utilities that have the option of siting wireless facilities on their roofs. 51/ In essence, WinStar's reasoning appears to be that, because rooftops might be useful or "effective" 52/ to a telecommunications carrier in expanding its

WinStar Opposition at 6.

^{48/ &}lt;u>Id.</u> at 7.

^{49/ &}lt;u>Id.</u> at 9.

^{50/} Id.

 $[\]frac{51}{}$ WinStar at 7-8.

^{52/ &}lt;u>Id.</u> at 9.

distribution network, rooftops are rights-of-way under

Section 224. The FCC properly rejected this position. 53/

- 31. Both the plain language and the legislative history of the statute undermine WinStar's position. 54/ The rights conferred by Section 224 extend only to "poles, ducts, conduits and rights of way." The term "rights of way" has historically referred to a right of passage over-land owned by another. 55/ Where Congress intended to reach "property," as distinguished from "rights-of-way," it expressly indicated its intention to do so. 55/
- 32. Section 224 does not provide for access to a utility's actual or potential "distribution network," as WinStar appears to be contending, 57/ except insofar as the network consists of the listed items. Under WinStar's reasoning, if a utility's property could be used by the utility to site wireless equipment, and if such siting would be "effective in enabling wireless local exchange carriers to expand their local exchange networks," 58/ that property is a "right of way" for purposes of Section 224.

^{53/} First R&O, ¶ 1185.

^{54&#}x27; <u>See</u> Infrastructure Owners' Opposition to Petition for Clarification or Reconsideration of WinStar Communications, Inc. at 4-9.

See, e.g., Black's Law Dictionary (Abridged Fifth Edition 1983) at 689: "The term [right of way] sometimes is used to describe a right belonging to a party to pass over land of another . . . "

 $[\]frac{56}{}$ See, e.g., Section 704 of the 1996 Act, codified at 47 U.S.C. § 332(c).

^{57/} WinStar Opposition at 7.

^{58/} Winstar Opposition at 9.

Carried to its logical conclusion, WinStar's argument would permit a telecommunications carrier to site its facilities in the lobby of a utility's headquarters, a location potentially available to the utility, if it would be "effective" to the carrier in expanding its network. Section 224 does not go that far in according access to telecommunications carriers, but instead clearly circumscribes the extent of access.

Because WinStar's contrary interpretation of Section 224 constitutes an unwarranted expansion of the rights of access conferred by Congress, it must be rejected.

Conclusion

WHEREFORE, THE PREMISES CONSIDERED, American Electric Power Service Corporation, Commonwealth Edison Company, Duke Power Company, Entergy Services, Inc., Northern States Power Company, and The Southern Company urge the Commission to deny those Oppositions to Petitions for Reconsideration inconsistent with the views expressed herein.

Respectfully submitted,

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